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# Agricultural Situation

OCTOBER 1961  
Vol. 45, No. 10

Statistical Reporting Service  
U.S. Department of Agriculture

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OCT 20 1961

U. S. DEPARTMENT OF AGRICULTURE  
BETTSVILLE BRANCH

## USDA STEPS UP WORK ON RURAL AREA DEVELOPMENT

The U.S. Department of Agriculture has launched an all-out program of Rural Areas Development, which Secretary Freeman terms "more important to the long-range future of our Nation than any other program now being conducted by the USDA."

The main objective of RAD is to stimulate more jobs and opportunities in the rural United States.

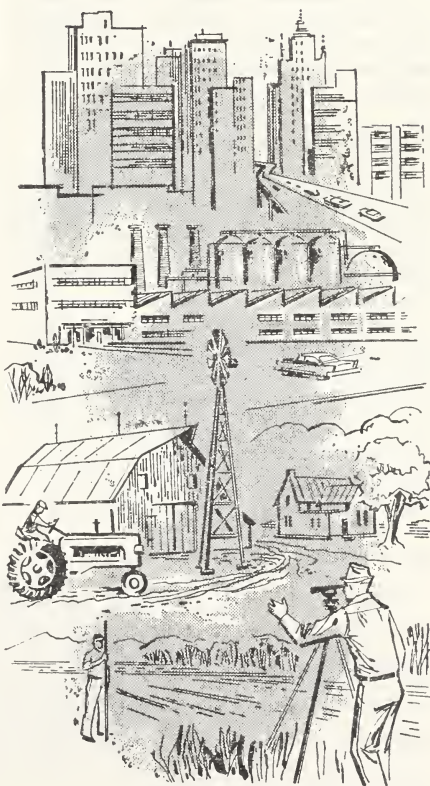
Here are some highlights of progress:

- A top-level USDA RAD Board and staff are organized to get the program underway.

- State and local RAD activities are underway with Farmers Home Administration, Rural Electrification Administration, and Federal Extension Service assigned the full-time job of helping local groups get started.

- So far 487 rural counties have been named as eligible to apply for aid under the new Area Redevelopment Act.

- USDA rural electrification, farm credit, and small watershed work have been stepped up to make even greater resources available for rural development. Of particular importance is more dynamic use of REA loans to finance machinery in rural industries.



## Rural Development—Continued

Rural Areas Development is a national task with an international impact. Today in the United States more than 36 percent of all farm families have incomes of less than \$2,000 a year. Last year, if underemployment in the Nation's farm regions were put in terms of unemployment, there would have been 1.4 million persons in rural America unemployed.

Many new and emerging nations around the world with large rural populations are watching closely to see how well the United States solves this problem of rural "underdevelopment."

For domestic and international reasons, therefore, Secretary Freeman has given RAD top priority. In March 1961, as a first step, he established the Rural Areas Development Board representing 13 USDA agencies.<sup>1</sup> In June he set up an office of Rural Areas Development to staff and coordinate RAD.

RAD program organizations have now started in 38 States, with local program "districts" of two or more rural counties already organized in 25 States.

### Area Redevelopment Act

The USDA is also helping eligible rural counties obtain benefits under the new Area Redevelopment Act. These include Federal loans and grants for public works and industrial develop-

ment, technical aid, and retraining of workers, including farmers and farmworkers.

Among the Department's major assignments under the act are selecting rural counties to receive assistance; reviewing area plans for development; and most important, helping local leaders put together plans and projects that will take full advantage of the new ARA program.

Rapid progress has been made in selecting rural counties for the ARA program, formulating areawide plans, and setting up local groups capable of running the program in the rural areas.

Nearly a third of the counties in the United States are covered by areas eligible for the ARA program, including 487 rural counties in 41 States and Puerto Rico. Long-range economic development plans for revitalizing their economies already have been approved for 180 counties in 22 States. The majority of these are rural redevelopment counties, assisted by the Department of Agriculture, or other similar areas with large numbers of underemployed people living in farm areas.

If you want more information on this important new program, see your county agent, FHA county supervisor, or an REA field representative.

*Joseph C. Doherty*  
*Office of Information*



### The Farmer's Share

The farmer's share of the consumer's food dollar was 37 cents in July 1961, the same as it was in June. In July 1960 the farmer's share was 38 cents.

The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.

The Agricultural Situation is a monthly publication of the Statistical Reporting Service, United States Department of Agriculture, Washington, D.C. The printing of this publication has been approved by the Bureau of the Budget (January 8, 1959). Single copy 5 cents, subscription price 50 cents a year, foreign \$1, payable in check or money order to the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.



# FALL FARROWINGS IN 10 STATES MAY BE 2 PERCENT HIGHER IN '61

Early fall farrowings in 10 leading Corn Belt States are about the same as a year ago. Farmers' intentions indicate that farrowings will be larger during the late fall and winter quarters.

The number of sows farrowed and intended to farrow in the fall of 1961 (June through November) in the 10 Corn Belt States (Ohio, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri, South Dakota, Nebraska, and Kansas) is estimated at 4,457,000 head. This is 2 percent more than in 1960, the same as 1959, and 16 percent more than the 10-year average. Sows farrowed and expected to farrow in June through November are above a year earlier in 7 of the 10 States. Increases are 11 percent in Kansas, 10 percent in South Dakota, 6 percent in Illinois and Nebraska, 3 percent in Missouri, 2 percent in Iowa, and 1 percent in Minnesota. Decreases are 5 percent in Wisconsin, 3 percent in Ohio, and 1 percent in Indiana. Farrowings in these 10 States accounted for 75 percent of the U.S. pig crop in 1960.

The number of sows farrowed during June through August in the 10 States is estimated at 2,257,000 head. This is about the same as for the same period a year earlier, but 12 percent above the 1950-59 average. This number is 4 percent less than was indicated for this period in June. June-August farrowings for these 10 States represent 51 percent of the estimated June-November total, compared with 52 percent in 1960. Farmers' reports indicate that the number of sows farrowed in June and July will be slightly more than for the same months a year earlier, with August farrowings indicated at less than a year earlier. Farrowings during these 3 months were larger than for the same period a year earlier in Missouri, South Dakota, Nebraska, and Kansas, the same in Minnesota and Iowa, but smaller in Ohio, Indiana, Illinois, and Wisconsin.

Sows bred and intended for farrowing in September-November this year in

the 10 States totaled 2,200,000 head, 5 percent more than a year earlier and 20 percent above average. This number is about the same as the farrowing intentions reported for these States in June.

Reported breeding intentions indicate 1,845,000 sows to farrow during the 1962 winter quarter (December-February), compared with 1,768,000 sows farrowed during the same period a year earlier. This is an increase of 4 percent. All States except Ohio indicate more sows to farrow during this quarter than a year earlier. Increases are Nebraska, 13 percent; Kansas, 12 percent; Minnesota, 11 percent; South Dakota, 10 percent; Missouri, 6 percent; Illinois, 4 percent; Iowa, 3 percent; Wisconsin and Indiana, 2 percent. Intentions in Ohio are down 3 percent.

## Inventory

The number of all hogs and pigs on farms September 1, 1961, in the 10 States totaled 50,191,000 head. This is 6 percent larger than the 47,163,000 head a year earlier. Increases in nine of the States ranged from 1 percent in Ohio to 20 percent in South Dakota. Numbers in Wisconsin were 2 percent smaller than a year earlier. Hogs and pigs 6 months old and over totaled 10,078,000 head, 7 percent more than last year. The number under 6 months of age was 6 percent larger than last September, with larger litters accounting for some of this increase as only 4 percent more sows farrowed in the 10 States during the March-August period compared with a year ago. The number of hogs and pigs 3-6 months of age was 10 percent above last September. Pigs under 3 months were 2 percent above a year ago. The 24,137,000 head in the 3-6-month age group comprised 48 percent of the September 1 total. The 15,976,000 head under 3 months of age accounted for 32 percent of all hogs and pigs.

*E. B. Hannawald  
Statistical Reporting Service*

# LARD PRODUCTION EXPECTED TO RISE IN 1961-62

Lard output during 1961-62 is expected to rise slightly, resulting in (1) lower lard prices, (2) more lard used in the manufacture of shortening, and (3) little change in exports.

Production of lard (including farm) in the marketing year which began October 1, 1961, is forecast at 2,650 million pounds, up about 5 percent from the year before. The increase mainly reflects the rise in hog slaughter due to the upturn in the number of pigs saved in 1961.

The cyclical changes in the pig crop result in similar changes in lard output (see chart). The ratio between lard production and the pig crop has been fairly stable since World War II.

Domestic use of lard in 1961-62 is forecast at 2,150 million pounds, up slightly from 1960-61 mainly because of its increased usage in shortening.

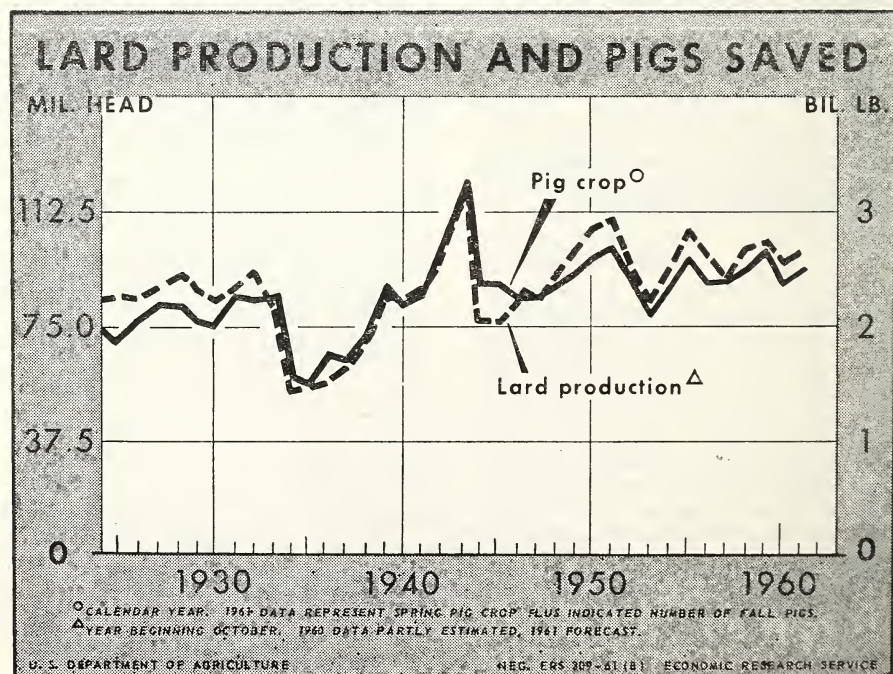
The direct use of lard as such during 1961-62 probably will total around

1,400 million pounds, and another 100 million pounds may be used in margarine and other edibles. This will leave 650 million pounds of lard for use in shortening manufacture, about 125 million more than that consumed in 1960-61.

Lard exports in 1961-62 are expected to approximate the 500-million-pound rate of 1960-61, as a larger volume to the United Kingdom tends to offset the reduced movement to Cuba.

In 1960, the United Kingdom and Cuba accounted for 80 percent of our lard exports, whereas 5-10 years ago these two countries took less than 50 percent of the total outward movement. The U.S. lard industry is confronted with the narrowing down of our foreign outlets as a result of greatly expanded production abroad and the increasing number of trade barriers.

*George W. Kromer*  
*Economic Research Service*



# OUTLOOK



For all of 1961, realized net farm income is expected to be well above the \$11.7 billion of 1960. Main factors: An increase in cash receipts from marketings and larger Government payments under the new agricultural programs.



## Hogs

Hog slaughter is now increasing. But a significant rise above last year's levels is not likely until November because of the late farrowings of the 7-percent larger spring pig crop. Prices will average below those of a year ago.

## Cattle

Last-quarter estimates for fed cattle are for a slight increase in output over a year ago. Prices are expected to average a little below the last quarter of 1960.

## Dairy

Milk production from January through August was 1 percent above the first 8 months of last year. For the year as a whole, output is likely to exceed last year's 123 billion pounds by more than 1½ billion. Downtrend in milk cow numbers slowed noticeably again this year as it did in 1960. In 1960, the decline was 350,000 head; this

year, 150,000 head. Main reasons: steadily improving milk price relative to feed prices and, to some extent, lower prices for beef cattle.

## Wheat

Total wheat disappearance for 1961-62 is estimated at 1.3 billion bushels, with domestic disappearance taking 594 million (slightly below last year) and exports 675 million (slightly above last year). The disappearance, which is about the same as in 1960-61, and prospective supplies point to the possibility of a small reduction in the carryover from the 1.4 billion bushels in July 1961.

## Tobacco

Consumption of tobacco products, except chewing tobacco and snuff, in 1961 is expected to top 1960. Cigarette output and consumption will reach new highs. (See story on p. 8.)



## Feed

Ideal growing conditions during August raised estimated 1961 feed grain production to 137 million tons, an increase of 12 million tons over July estimates, but 18 million below the record output in 1960. This year more feed grain is likely to be used in the 1961-62 feeding year than was produced.



## OUTLOOK



### OUTLOOK—Continued

The carryover into 1962-63 may as a result drop 5 million tons below the record 85 million tons of 1961-62, the first decline since 1952.



### Cotton

Production of cotton in 1961 is estimated at about 14.2 million running bales, about 0.1 million smaller than a year earlier. Main reason for the slight decline in output is lower U.S. average yield per acre, down about 9 pounds from the average yield per harvested acre in 1960. The carryover of cotton on August 1, 1962, is forecast at 7.0 million bales, about 200,000 bales less than on August 1, 1961, and the smallest carryover since 1953.

### Turkeys

The 1961 turkey crop of 107 million birds is 26 percent more than last year's record. Increases occurred in all regions of the country and in all leading production States. The mid-August U.S. average price to farmers was 19.8 cents per pound, about 4 cents lower than last year.

### Soybeans

U.S. soybean supply for the marketing year beginning this October 1 is estimated at 725 million bushels, up 143 million from last year. Crushings and exports both are expected to be at a record high. They probably will take a good part of the crop increase, but still leave end-of-year carryover sharply higher than the 5 million bushels forecast for October 1, 1961, and close to the record 62 million of October 1, 1959.

Soybean prices this fall probably will average at about the national support rate of \$2.30 per bushel. Last fall, when supports were at \$1.85, the prices received by growers averaged about \$2 per bushel.

### Eggs

Egg prices trended lower in late August. In early September they were slightly lower than the summertime peak. Some price rise from early September is considered likely since the low point in egg production has not yet been reached.

Monthly egg production for the rest of 1961 will likely run above a year ago. But, with a smaller number of pullets maturing in coming months than a year earlier, egg prices later in the year may hold relatively steady, although probably averaging below a year ago.

### Broilers

Broiler prices are at low levels. Since late May, the midmonth U.S. average prices have ranged between 12.6 and 13.0 cents, 3 to 5 cents lower than the year before, and the lowest monthly prices ever reported. For the next few weeks broiler slaughter is likely to average at about 10 percent above last year.



### Vegetables

Early indications are that supplies of fresh vegetables for fall harvest are likely to be slightly to moderately less than last year. In prospect are more early fall snap beans, cabbage, cauliflower, cucumbers, and spinach than a year earlier. But these increases are more than offset by declines in early fall lettuce and tomatoes and in fall celery and carrots. Because of larger production in the West, more potatoes will be available this fall and winter than last year. Prospective output of 85 million hundredweight in 9 Western States is about a fourth more than last year.



# CROP MEASUREMENTS AID COTTON-CORN ESTIMATES

The objective yield measurements of crops, carried on by the Statistical Reporting Service, begin with careful crop measurements on small areas in sample fields. This year about 10,000 of these tiny plots or areas were chosen by scientific methods. Combined, they represent a small fraction of the 56 million acres of corn in 28 States and the 15 million acres of cotton in 13 States leading in their production. (See map for States in which cotton and corn measurements went on this year.)

The farms on which these plots are located and the location of the plots within a field were chosen by random selection. Some of the plots are in good parts of the field, some in average parts, and some in the poorest. When all the plots within a State are put together, they represent a good cross section of the fields of corn or cotton in that State.

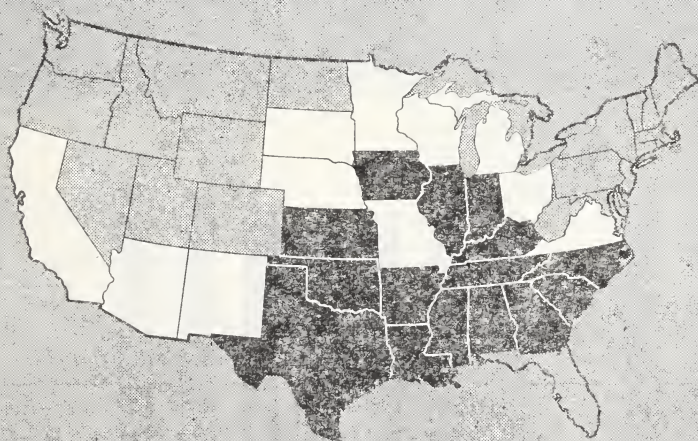
Farmers were hired to work part time



as enumerators this summer and fall. These men find farms chosen from aerial photographs, get the cooperation of the farm operators, and lay out two plots in each field.

The last week of each month until harvest time, they measure the progress of the plants in each plot. Just before the farmer harvests his crop the enumerator gathers the production in each sample plot and carefully weighs it. He later returns to determine harvest losses.

Throughout the growing season the enumerators' monthly facts and figures are sent to the State statistician where he and his staff forecast the probable harvest yields. They use the tallies along with the reports made by the thousands of farmer-reporters in each State who are the backbone of the Crop Reporting Service. One set of estimates acts as a check on the other, and the use of both makes final crop estimates more accurate.

## WHERE COTTON AND CORN MEASUREMENT SURVEYS ARE BEING MADE



-  15 States where samples are on an **OPERATIONAL** basis  
(adequate for individual State estimates).
-  11 States where samples are on an **EXPERIMENTAL** basis  
(used for regional estimates but not large enough for State estimates).

# RECORD CIGARETTE OUTPUT INCREASES USE OF TOBACCO

How many cigarettes will be manufactured in the United States in 1961? The USDA estimates a record 530 billion—23 billion more than in 1960 and 170 billion more than in 1950.

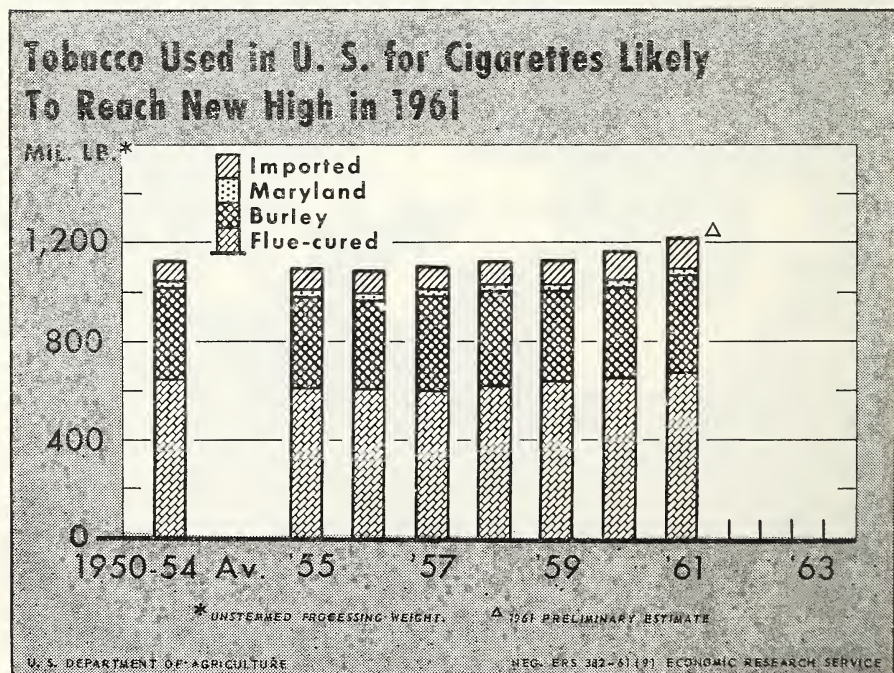
A huge quantity of leaf tobacco is used in this many cigarettes—about 1,215 million pounds, unstemmed-processing weight. On a farm-sales weight basis this would be approximately 12 percent greater than the unstemmed-processing weight.

Indications are that record or near-record quantities of flue-cured and burley are being used for cigarettes in 1961. Little change has occurred in the quantity of Maryland tobacco used for cigarettes, but the use of imported cigarette leaf has shown sharp gains in the past 6 years.

From 1954 to 1959, though cigarette output was advanced every year, the use of domestic tobacco for cigarettes either showed a smaller percentage increase or no increase. This was mainly

due to (1) the smaller tobacco column in many brands of filter-tip cigarettes which took over a greatly increased share of the market, and (2) the more complete utilization of tobacco leaves—the development of reconstituted tobacco and the processing of stems (midribs) made possible the use of tobacco material formerly deemed unusable in cigarettes.

Since 1954 the use of imported cigarette tobacco has jumped about 60 percent. The great bulk of imported cigarette leaf comes from Turkey and Greece. The leaves are very small compared with the domestic types and can be utilized without removing the comparatively thin midrib. If we consider both domestic and imported tobaccos on an unstemmed-processing weight basis, the proportion of imported tobacco used for cigarettes in 1961 is estimated at 10 percent. In 1954 it was about 7 percent; just prior to World War II it was about 9 percent and at the end of the war it was 5 percent.





About 95 percent of the cigarettes manufactured in the United States are smoked by U.S. smokers, including Armed Forces overseas. The other 5 percent is shipped to foreign countries, Puerto Rico and other island possessions.

Cigarette use by U.S. smokers rose every year from 1933 to 1952, and then declined moderately in 1953 and 1954. In 1955 it again turned upward and by 1957 topped the 1952 figure—the previous record. In 1961 for the fifth consecutive year cigarette use will reach a new record of probably 505 billion. A further significant gain is expected in 1962.

By computing the use of cigarettes on a per person basis, the increase in the U.S. population is taken into account. Cigarette consumption per person is arrived at by dividing the total consumption by the population 15 years and older. For 1961, the estimated number of cigarettes consumed per person is 201 packs (20 per pack)—3 percent above 1960 and 21 percent above 1950. Average consumption *per smoker* of course is considerably higher than the computed *per person* figure.

Cigarettes are exported to about 110 foreign countries. In 1961 about 22 billion will go to foreign markets—over a tenth more than in 1960 and the largest number since 1948. About another 2½ billion will be shipped to Puerto Rico, the Virgin Islands, and other smaller island destinations.

*Arthur G. Conover*  
*Economic Research Service*

## Dollar Sales for Exports Rise in 1960

Agricultural export sales for dollars increased 23 percent in 1960. Leading areas paying more in dollars were Europe and Asia. Europe, the largest dollar market area, accounted for 56 percent of the gain. Dollar sales to Europe were considerably greater for France, West Germany, Italy, and the United Kingdom, with smaller but still sizable advances for Belgium, Switzerland, Sweden, and Spain. Asia, the No. 2 dollar market area, contributed 37 percent to the rise. The principal country taking more was Japan.

## 1961-62 Flaxseed Supply and Demand in Close Balance

Domestic flaxseed supplies during the 1961-62 marketing year are tight. Output is down sharply and stocks are low.

Production of 1961-crop flaxseed is placed at 21 million bushels, one-third below 1960, and the smallest production since 1939.

The lower production this year is due to an 18-percent drop in acreage and a yield of only 7.7 bushels per acre, 1.4 bushels less than last year. The major flax-producing areas have been suffering from a shortage of soil moisture since the fall of 1960 and excessive heat.

A flaxseed crop of 21 million bushels will be about equal to domestic requirements and there would be almost no exportable surplus from the United States in the 1961-62 marketing year. Because of the close balance between supply and demand, prices to flaxseed growers are expected to average somewhat higher than the 1961 support price of \$2.80 per bushel and well above the \$2.66 received for the 1960 crop.

The total supply of flaxseed in the 1961-62 marketing year (starting stocks on July 1 plus the 1961 crop) is placed at 26.3 million bushels, compared with 33.4 million last year. Crushings of flaxseed for domestic oil use may total around 19 million bushels, slightly less than last year, and another 2 million will be needed for seed. This would leave a mere 5 million bushels available for exports or carryover stocks on July 1, 1962.

Present indications are that exportable supplies of flaxseed (including the seed equivalent of linseed oil) from the 1961 crops in foreign countries may be down substantially from about 55 million bushels of last year. Canada, Argentina, and the United States are the three major exporting countries.

The flaxseed crop in Canada is estimated at about 15.0 million bushels, compared with an output of 23 million last year.

*(Continued on page 12)*



# MILK OUTLETS . . . THE CHANGING PATTERN

Over the last 20 years, big changes have taken place in farmers' milk outlets. Milk producers have become more specialized. They are doing less marketing today and are concentrating more on producing the milk.

As recently as 1940, farmers sold only 43 percent of their whole milk directly to plants or dealers, compared with 84 percent in 1960 (see chart). Farmers, also, are now using less than half as much milk on the farm for food and livestock feed than 20 years ago.

What has brought this about?

Changes in the cost of producing milk and in the value received for milk are influencing factors. Farmers have been better able to take advantage of cost-cutting improvements by channeling more of their resources into milk production. At the same time, their larger operations often allow them to gain better markets.

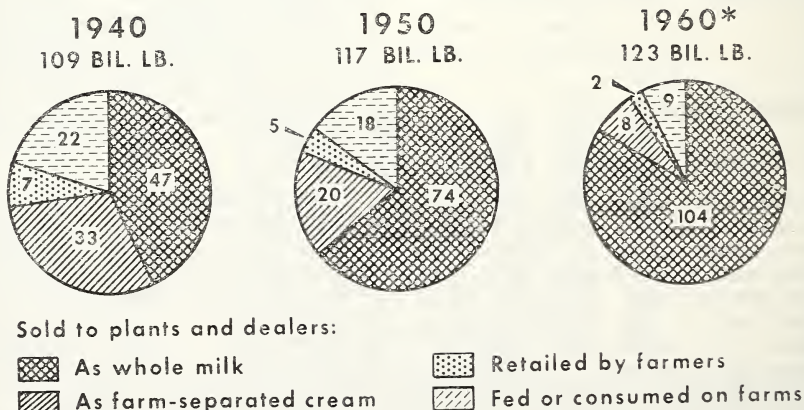
The decline in the marketing of cream from milk separated on the farm

is another trend of particular significance. Years ago, the skim milk left over from this process was considered primarily as animal feed. However, as its nutritive value became more widely appreciated, the price given to the skim portion of milk grew rapidly. In addition, dairy farms were becoming fewer, larger and more specialized, and less able to effectively use skim milk for feeding livestock. Better highways and the development of bulk handling systems were also important in the switch to whole milk marketing.

The reduction in milk used on dairy farms is also related to cost-price relationships, but in a less direct way. Some farmers expanded operations to reduce costs, while many others left dairying for other livelihoods. Fewer milk producers are largely the reason for less milk being used on farms today.

*Herman Bluestone*  
*Economic Research Service*

## DISPOSITION OF MILK PRODUCED ON FARMS



\* PRELIMINARY

# SUPERIOR BROILERS THANKS TO PRODUCTION EFFICIENCY

Twenty years ago broilers supplied only 14 percent of the 14.1 pounds of chicken meat (ready-to-cook equivalent) eaten by the average consumer. Since that time, however, the production of broilers has increased greatly and by 1960 broilers accounted for nearly 83 percent of all the chicken meat used. The value of broilers produced rose from \$72 million in 1940 to more than \$1 billion in 1960.

Increased production efficiency helped encourage this growth. Because of better breeding, feeding, and management, broiler producers are now able to produce young chickens more cheaply—chickens with meat characteristics superior to the broilers of even 10 years ago.

Since 1950 there have been substantial decreases in both the length of time it takes to raise broilers to desirable slaughter weights and the amount of feed required to produce a pound of broiler growth. Twelve weeks was considered an average grow-out period in

1950 with approximately 3½ pounds of feed needed to produce a pound of gain. Today, however, broilers are being raised to marketable weights in 8 or 9 weeks with only 2.2 to 2.4 pounds of feed per pound of gain.

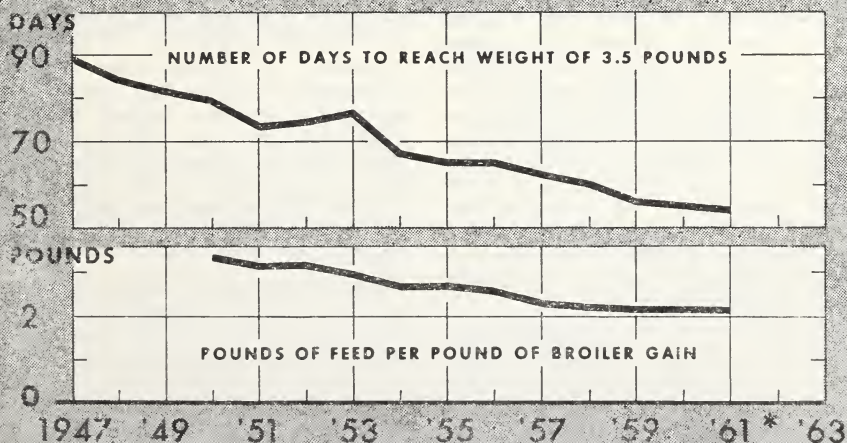
Information on broiler production efficiency is obtained through tests conducted in several States. In order to make these tests more valuable for comparisons, the Council of the American Poultry Tests has encouraged test standardization.

Results obtained in the Maine test illustrate production efficiency gains. The Maine broiler test shows that the grow-out period to reach a marketable weight of 3.5 pounds declined steadily from nearly 13 weeks in 1947 to about 8 weeks currently. The feed required for a pound of broiler gain was reduced from 3½ pounds in 1950 to only 2½ pounds in 1961.

*William C. Paddock*  
*Economic Research Service*

## GAINS IN BROILER EFFICIENCY

*Maine Broiler Test, 1947-1961*



\* 1961 DATA BASED ON 2 TESTS



Now . . .

## A Premium Market for MANUFACTURING MILK



Interested in a premium market for top-quality manufacturing milk?

The time may be coming when you will have such a market, if you produce milk for a cheese manufacturing plant.

One plant—the Lake to Lake Dairy Cooperative, Inc., of Manitowoc, Wis.—has just been given first authorization to use the USDA Grade AA mark on the label of its consumer packages of Cheddar cheese. Much of the cheese made by the plant is distributed under the label of the Land O' Lakes Creameries, of Minneapolis, Minn.

Before being permitted use of the highest official grade mark on its cheese, the plant had to go through an extensive appraisal by dairy inspection and grading personnel of USDA's Agricultural Market Service.

As just one of many requirements, the plant had to show that it had a dependable supply of high-quality milk—the raw material for making USDA Grade AA cheese. This means that dairy farmers must supply milk that has been produced under approved sanitary practices. The milk must be cooled promptly after milking and be kept cool. It must be obtained from healthy cows. It must have a fresh, sweet, clean flavor. Only milk of this quality can be used for making cheese that has a fine pleasing flavor, a smooth compact texture, and a uniformly bright attractive appearance.

Of course, there are other requirements for producing cheese that meets Grade AA standards. And these were investigated by USDA dairy personnel before the plant was granted authorization to use the official grade mark.

Cooperating closely with one another, the plant and USDA dairy specialists

experimented, tested, graded—until finally, the plant succeeded in its effort to consistently turn out cheese that met exacting standards for flavor, texture, color, and appearance.

Other cheese manufacturing plants in the future may be using the grade-labeling program. Several have expressed interest in qualifying. When they do, dairy farmers should see an expansion of the market for premium quality manufacturing milk.

*Edwin F. Garbe  
Dairy Division, AMS*

### FLAXSEED—Continued

The key to the world situation for flaxseed and linseed oil really rests with Argentina, where new crop supplies become available early in 1962. Plantings in Argentina continued through August and may be up because of higher market prices. Higher production will probably not offset reduced North American production.

Linseed oil prices (raw tankcars, Minneapolis) during July–August averaged 15.5 cents per pound, about 2.5 cents above the same 2 months in 1960. The outlook for linseed oil prices indicates that they will remain higher than last year throughout the 1961–62 season, averaging well above the 12.9 cents per pound in 1960–61.

The comparatively high level of linseed oil prices during the current marketing year likely will have the effect of reducing consumption as users of drying oils tend to shift to lower priced substitutes. Prospects are that linseed oil use will decline again this year.

*George W. Kromer  
Economic Research Service*



# PEOPLE EAT MORE FRUIT TODAY THAN THEY DID 50 YEARS AGO

Mr. Average American eats more fruit today than he did 50 years ago. One person ate an average of about 172 pounds of fruit per year during 1910-14. Today the average person eats about 200 pounds of fresh fruit equivalent yearly.

This rise expanded the market for fruit significantly between 1910 and 1950. However, over the past 10 years the annual quantity of fruit eaten per person has held around 200 pounds.

An alltime peak in per capita fruit use seemed to take place around 1946. But this was largely due to postwar restocking of pantry shelves and retail stores.

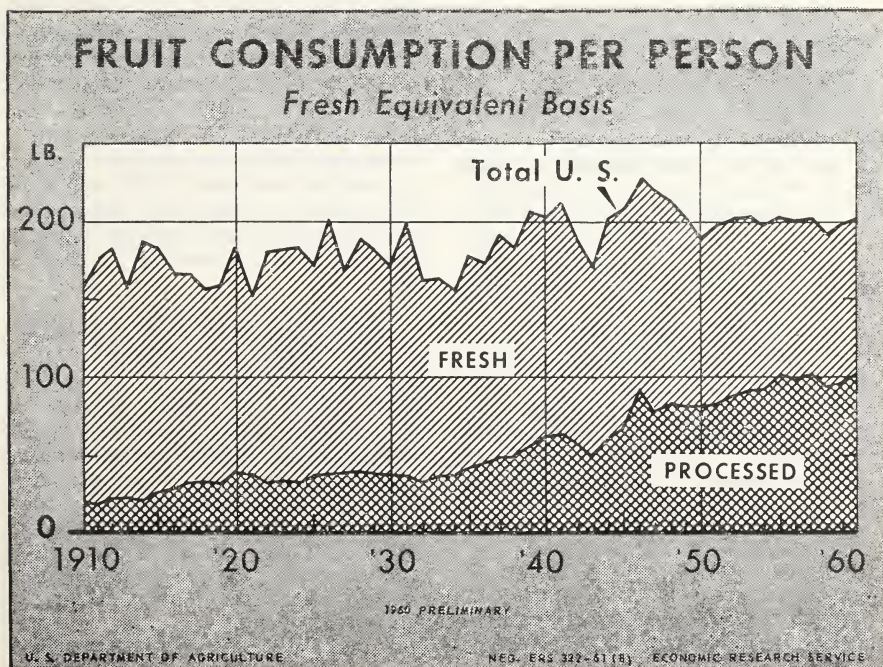
Today 50 percent of the fruit we eat is processed, compared to a meager 13 percent 50 years ago. The increase in the use of processed fruit (particularly canned and frozen), was about fivefold and more than offset the decrease in per capita fresh fruit consumption since 1910.

Dried fruit was the big processed fruit item in 1910 and made up about 78 percent of the processed fruit used in those days. Now, of the 100 pounds of processed fruit we eat annually, 53 percent is canned fruit and fruit juice (including chilled); 35 percent is frozen fruit and fruit juice; and 12 percent is dried fruit. Citrus constitutes about half of the processed fruit we eat.

Since 1920, when dried fruit reached the height of its popularity, its use has been declining. In 1960 dried fruit use was moderately below that of 1910.

In the post-World War II years, expanded use of frozen fruits and fruit juices (especially orange concentrate) more than made up an accompanying decline in the use of canned fruits. Recently, chilled juices raised processed fruit popularity even more.

*Ben H. Pubols*  
*Economic Research Service*





*Your Farm Renting Problem, Farmers' Bulletin No. 2161, 16 pages.*

The farm renting problem is really made up of several problems: finding a good landlord or a good tenant; deciding what provisions should be included in the lease; and selecting the type of lease best suited to your specific needs. Here is a helpful guide for those confronted with the farm renting problem. It covers such topics as:

- Finding a good farm, a good landlord, a good tenant.
- Essentials of a farm lease.
- To write or not to write your lease.
- Kinds of leases and their characteristics.
- Other agreements.
- Legal framework of your lease.

*Your Farm Rent Determination Problem, Farmers' Bulletin No. 2162, 24 pages.*

How expenses and income will be shared is one of the most important decisions faced by landlords and tenants when a farm is rented. This publication provides a guide for attacking this problem. It covers such topics as:

- Determining a fair rental.
- Maximizing net income.
- Providing incentives for the tenant.
- Sharing costs on share-rented farms.
- Adjustments for nonshare rent.
- Crop-share-cash rent.
- Accounts and records.

*You may obtain a free copy of any or all of these publications by writing to the editor, Agricultural Situation, Division of Information, MOS, USDA, Washington 25, D.C.*

## Retail Food Costs Near Last Year's Level

The cost to consumers of food products from American farms did not change much in the year that ended last July. A market basket containing quantities of farm foods bought over the period of a year by a typical moderate-income urban family cost \$1,066 at retail in July 1961, just \$3 more than it was figured to be a year earlier.

Prices of bread, eggs, butter, cheese, margarine, frozen orange concentrate, and several other products went up during this period, but prices of beef, lamb, frying chickens, and some other products were down.

Though the retail cost of the farm food market basket went up slightly, prices farmers received for food products declined a little. Farmers received \$396 in July for products equivalent to the foods in the market basket, about \$13 less than in July 1960. Much of this drop in the farm value was caused by lower prices for beef cattle and chickens.

The farm value amounted to 37 percent of the retail cost of the market basket in July of this year. Thus, farmers received 37 cents of the dollar consumers spent in retail food stores for farm foods. The farmers' share varied from 37 to 40 cents during the preceding 12 months. In the 10 years, 1951-60, it varied from 37 to 50 cents.

The widening of the spread between the retail cost and farm value indicated that charges for marketing these products increased. The spread in July was \$670, up \$16 (2 percent) from July 1960.

The movement in marketing charges generally has been upward since World War II. Usually it has been gradual. These charges have moved up more or less in line with increases in costs of labor, transportation, packaging material, equipment, and the many other expenses of marketing. By improving efficiency, marketing firms have been able to hold down costs to some extent. Labor costs, for example, have risen less than half as much as average hourly earnings of marketing employees.

*Forrest Scott  
Economic Research Service*



# "Bert" Newell's

## Letter

I think my troubles with pokeweed, sometimes called inkberry, are over. Or, on second thought, they may just be different.

One evening I noticed a very attractive arrangement on the table, and, much to my dismay, I found it was several branches of poke. My wife said she had been hunting for something for decorations, and the weeds looked interesting. She has a knack for making pretty arrangements out of almost anything. Now that she has started to study uses for pokeweed, I'll bet every last one will disappear.

The basis for my conclusion is my retired friend Jim, who was once a scientist in the Department. He was having trouble with dandelions in his lawn, so he said he was going to start a research project on them. Jim said that whenever he started research on any plant, it promptly became hard to find.

He didn't start his dandelion research, but someone else did and now with 2, 4-D it's no trick at all to make dandelions pretty hard to find in any lawn.

Then, look at what happened to corn. Someone started to study low corn yields, and first thing you know we have hybrid corn, new kinds of fertilizer, and now you can hardly find the old-fashioned, low-yielding kind any more.

Something happened to cotton also, but with research on varieties, cultural practices, and so on we don't bat an eye now at a report of two or three bales of cotton per acre, where just a few years ago one bale yield sounded high.

Marketing has changed too. Of course, the old general store provided one-stop shopping. It had to be one stop; there wasn't any other place to shop.

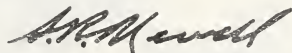
One-stop shopping nowadays is a far cry from the old kind. Everything from aprons to zucchinis in pretty cellophane packages is neatly arranged on shelves or in refrigerated cases. Yes, it's pretty hard to find the oldtime general store any more. The system has changed all the way from the farm to the retail store.

Maybe you don't think this makes problems for us in trying to keep the Nation informed on the supplies of food and fiber. If we are going to provide the service expected, we have to keep in touch with the research on new and higher yielding varieties, developments in cultural and harvesting machinery, new marketing practices, and so on.

Consider the upward trend in crop yields. This throws some past relations out of kilter, and we have to develop new sources of information and new techniques for estimating and forecasting. Take the late, wet spring we started with this year. In the old days of horsepower—I mean the four-legged kind—the results of such a beginning would most certainly have been far different. With big machinery and equipment, a day or two break in the weather makes a tremendous difference.

By the way, I just saw a few figures in the Yearbook on Power that were interesting. In 1910 a farmer needed 135 hours to produce 100 bushels of corn, 106 hours for 100 bushels of wheat, and 276 hours for a bale of cotton. In 1960 it took 23 man-hours for the corn, 17 for the wheat, and 77 for the bale of cotton.

See what I mean? With all this research and development the oldtime, low yield of crops and the slow, inefficient marketing practices are just like Jim said about the plants he started research on: They are getting harder and harder to find. Now if my wife's research on pokeweed results in some new use for it, I'll bet poke will disappear, and I'll have to plant some of the darn things.



S. R. Newell  
Chairman, Crop Reporting Board, SRS





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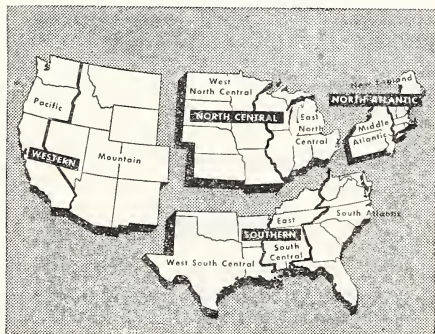
**October 1961**

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